

**DOWNTOWN INDUSTRIAL DISTRICT
BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS MEETING
JANUARY 25, 2011
MINUTES**

BOARD MEMBERS

Present: Ernie Doizaki, Howard Klein, Matt Klein, Larry Rauch, Michael Tansey, and Paul Vert.

Absent: Richard Gardner, Don Kanner, Richard Meruelo, Bill Shinbane, and Mark Shinbane.

STAFF: Herlinda Chico, Fred Faustino, Steve Keyser, Raquel King, Estela Lopez, Celina Mancina, and George Peterman.

CONSULTANTS: Ken Coelho and Don Steier.

I. CALL TO ORDER

Vert called the meeting to order with a quorum at 11:36am.

II. APPROVAL OF MINUTES

H. Klein made a motion to approve the November 30, 2010 minutes, and Tansey seconded. The Board unanimously approved.

III. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

LAPD Officer Jack Richter informed the Board that he and CCEA have been working on the problem of single sales of beer/alcohol. LAPD crimes statistical data demonstrates a map of hot spots that include Part One crimes and arrests. Most of the incidents occurred around the stores that sale single cans of beer.

Officer Richter stated that he researched cities that enacted a ban on the single sale of alcohol. Washington D.C. and San Bernardino were on that list and, as a direct result of the ban, crime decreased.

Officer Richter reported that the Valero Station on 5th & Alameda and Martha's Kitchen on 4th Street both voluntarily agreed to stop selling single cans of beer. There has been a dramatic difference in loitering and public intoxication. Officer Richter stated that most violent and property crimes Downtown and Skid Row involve alcohol.

Officer Richter informed the Board that the hearing at City Council's Planning and Land Use Committee for Ken's Market is on February 8th. Ken's Market is one of the worst ABC-licensed locations in all of Central Area. This hearing is to consider an appeal by the Market owners of the conditions imposed by the Zoning Administration in June. (more on this in Operations section)

Lopez stated that implementing legislation prohibiting the single sale of alcohol is difficult because the licenses in this area are considered "grandfathered." Granted by the State ABC before the City enacted the conditional use permit process in the 1970's, these licensed locations do not have the strict operating conditions imposed on the property by the City that are a requirement today. Any change to bring these "deemed approved" licenses into compliance with modern regulations would have to be applied city wide. Otherwise, license owners in Skid Row would claim the City was engaging in "selective enforcement" and would presumably sue.

Officer Richter asked the Board to contribute to a fundraising event for the LAPD Explorers. Contributions are needed to cover the costs for a fire marshal. The amount is \$563.00. The Board stated that they would discuss the contribution during the CCEA Board meeting.

IV. FINANCE

Coelho reported that year-end cash totaled \$21,159. The Arts District owed DID approx. \$28,000, which will bring the actual cash balance to approx. \$49,000.

Coelho reported that accruals will be paid in January and February. However, the majority of expenses have been paid as the maintenance contract is paid in full, and the security contract has only an additional two weeks of services to pay. Pressure washing has also been paid through December.

Coelho informed the Board that close to \$80,000 was borrowed from the line of credit, which will be paid back upon receiving the first batch of assessment revenue. Check in Center costs for 2010 were paid from the private account. However, the entire amount not reimbursed by LAHSA, was reimbursed from DID to Private at year end. On a go forward basis, DID will be paying the excess CIC costs, or those costs over the amount reimbursed by LAHSA.

Coelho reported that \$675,000 was invoiced to the City for disbursement of BID assessment funds for DID. In 2010 DID's first batch of assessment revenue totaled \$662,400, which on a pro rata basis is exactly the same as the first 2011 assessment receipt (2011 assessment was raised 2%). The Arts District's first batch of assessment revenue totals \$324,500, which again on a pro rata basis is dead on with the 2010 rates.

DID's delinquency projection was \$92,000 for 2010 and the actual was \$95,000.

V. OPERATIONS

Peterman informed the Board that he would be returning to his part-time position as Deputy Director of Operations working evenings in the Arts District. Peterman thanked the Board and staff for being supportive during his time as the Director of Operations. Peterman stated that Operations is in good hands with both Keyser and Faustino. Peterman stated that working with Lopez felt like a partnership and was a great experience.

Lopez expressed that Peterman couldn't have been a better partner. It was a smooth transition when Peterman took over. Peterman has developed strong relationships with the BID public

safety officers and the LAPD. Peterman will continue to work for the BID two weekends per month.

Keyser introduced new deputy director of operations for the mid-day shift, Fred Faustino. Faustino informed the Board that he is a 35 year veteran of the LAPD, in which most of his career was working Rampart.

Keyser reported that there were 13,053 total incidents in 2010; 9,000 of the incidents in 2010 were alcohol related. Keyser stated that typically incidents start to increase during the warmer months like June, July, and August. However, the increase continued September through December, partly because of the success of the mid-day shift that was recently implemented.

Keyser stated that illegal dumping continues to be an issue. BID officers continue to pass on information to the Bureau of Street Services regarding suspected illegal dumpers. Faustino added that on his first day, he caught a Toy District merchant illegally dumping on 4th & Omar.

Ken's Market:

Lopez reported that she will be attending the City Council Comiitee hearing for Ken's Market. Ken's Market went before a Zoning Administrator in June. At that time, CCEA provided a map of alcohol-related incidents that occurred in front of and immediately surrounding the store. Representatives from Para los Niños and Inner City Arts also testified to the issues that surround this store and how it impacts their students.

LAPD Captain Chamberlain testified at the ZA hearing calling Ken's Market the worst location in Downtown L.A.

The ZA placed a list of conditions on the establishment, including no single sale of beer. The Market owner appealed the conditions and is asking to maintain the single sales, to open at 6am, and not be required to have a guard on duty.

Check In Center Update:

Keyser informed the Board that the warehouse was recently used for filming. The production company built a set that included dividing walls, which present a very clean look and can be utilized for organizational purposes if retained. The production company also replaced the old security doors in the warehouse.

VI. EXECUTIVE DIRECTOR REPORT**CRA:**

Lopez updated the Board on the Governor's proposal to eliminate redevelopment agencies as a step in resolving the State budget crisis. The CRA is presently identifying projects citywide and allocating funding to them in an attempt to shield the State from diverting those funds, if and when the Agency ceases to exist. Lopez has been working with CRA staff to include projects in DID, such as façade improvements and an inventory of properties in the Industrial District. Lopez was interviewed on KPCC radio regarding the impact eliminating the CRA would have on the business community.

Alameda Street Reconstruction:

Lopez stated that because of CCEA's persistence and continuance in asking for funds to reconstruct Alameda, the City Council placed Alameda Street on its "Call for Projects" list of priority improvements that will be submitted to the Metro for funding later this year. If approved, this request would bring \$20 million for pedestrian enhancements, enhanced lighting, repaired sidewalks, intersections, in addition to complete reconstruction the roadway. This funding would provide these improvements to an area between the 10 freeway and 7th Street, as a Phase 1 of a 2-phase project. CCEA will pursue Metro funding for the next "Call for Projects" to cover the segment between 7th & 3rd Streets.

VII. EXECUTIVE SESSION

The Board adjourned into executive session.

VIII. ADJOURNMENT- The meeting of the Board was adjourned at 1:11pm.